



FINANCIAL AND OPERATIONAL FITNESS AUDITS (FOFA) RESULTS Fiscal Year 2022

Presentation for:

Supportive Services for Veteran Families (SSVF) Community

Presented by:

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[Link to Audio](#)

Housekeeping



Up to 90
minutes



Slides &
handouts
are in the
“handout
” section



Recording,
Handouts &
Slides will
be sent via
email



Submit
questions in
the question
box or any
time at
ssvf@va.gov



Agenda

- Fiscal Year 2022 Results
 - Summary:
 - Condition
 - Category
 - Finding
 - Examples
 - Going Forward
 - Post Pandemic To-Do-List



SSVF Results - Summary

Fiscal Year (FY) 2022 Total SSVF Universe Grantees:	262
FY 2022 Audits:	92
FY 2022 Audits - Dollars:	\$460,723,297.65
FY 2022 Grantees with Findings:	84
FY 2022 Grantees with No Findings:	8
FY 2022 Total Number of Findings:	303
FY 2022 Questioned Costs:	\$4,148,602.30
FY 2022 Recommendations Issued:	765



SSVF Results – Summary

Condition	Improper Allocation	Inadequate Documentation	Unreasonable	Unallowed-Disallowed Costs	Procedural / Policy Interpretation	Exceeds Cap/Limit	Total (Expense Category)
Financial Management	\$1,941,569.37 (99% of Financial Management Questioned Costs)	-	-	\$1,945.00 (>1% of Financial Management Questioned Cost)	-	\$4,222.38 (>1% of Financial Management Questioned Cost)	\$1,947,736.75
Eligibility	-	\$1,053,262.41 (98% of Eligibility Questioned Cost)	-	-	\$5,910.87 (>1% of Eligibility Questioned Cost)	\$11,151.47 (1% of Eligibility Questioned Cost)	\$1,070,324.75
General Expenditures	\$13,450.83 (3% of General Questioned Costs)	\$246,398.03 (47% of General Questioned Cost)	\$210,736.05 (40% of General Questioned Costs)	\$53,955.77 (10% of General Questioned Cost)	-	-	\$524,540.68
Temporary Financial Assistance (TFA)	-	\$222,337.40 (93% of TFA Questioned Cost)	\$4,218.00 (1% of TFA Questioned Cost)	\$12,598.41 (6% of TFA Questioned Cost)	-	-	\$239,153.81
Payroll Expenditures	\$40,116.41 (21% of Payroll Questioned Costs)	\$132,006.95 (69% of Payroll Questioned Costs)	\$2,364.54 (1% of Payroll Questioned Cost)	\$16,705.53 (9% of Payroll Questioned Cost)	-	\$908.37 (>1% of Payroll Questioned Cost)	\$192,101.80
Administrative Expenditures	\$5,914.90 (3% of Admin Cost)	\$115,264.95 (66% of Admin Cost)	-	\$1,816.26 (1% of Admin Cost)	\$51,748.40 (30% of Admin Cost)	-	\$174,744.51
Totals	\$2,001,051.41	\$1,769,269.74	\$217,318.59	\$87,020.97	\$57,659.27	\$16,282.22	\$4,148,602.30



SSVF Results – Financial Management

Condition	Total Questioned Costs	% of Questioned Costs	# of Instances
Inadequate Documentation			
PMS Drawdown	\$1,941,569.37	98%	2
Exceeded AMI	\$4,222.38	>1%	1
Charged to Incorrect Account	\$1,945.00	>1%	3



SSVF Results – Eligibility

Condition	Total Questioned Costs	% of Questioned Costs	# of Instances
Inadequate Documentation			
Certification of Eligibility	\$653,340.83	61%	227
Recertification of Eligibility	\$369,278.47	35%	224
Income Calculation	\$17,826.93	2%	4
Veteran Status	\$7,111.57	>1%	2
Eligibility Verification	\$5,279.61	>1%	2
Missing Case File	\$425.00	>1%	1
HMIS	\$0.00	>1%	1
Grievance Process	\$0.00	>1%	1
Intake Screening Documentation	\$0.00	>1%	1
Exceed Cap/Limit			
Income Calculation	\$11,151.47	1%	3
Procedural / Policy Interpretation			
Insufficient or Untimely Review and Approval	\$5,910.87	1%	40



SSVF Results – General Expenditures

Condition	Total Questioned Costs	% of Questioned Costs	# of Instances
Improper Allocation			
Occupancy	\$40,203.03	8%	10
Outreach	\$38,724.00	7%	3
Supplies	\$17,222.37	3%	36
Travel	\$10,364.00	2%	18
Mileage	\$8,620.45	2%	2
Advertising	\$8,000.00	2%	1
Insurance	\$7,852.94	1%	7
Lease	\$5,670.81	1%	2
Missing Documents	\$3,369.74	1%	4
Internet	\$3,290.83	1%	3
Utility	\$2,797.84	1%	1
Training	\$2,726.14	1%	3
Subscription	\$1,810.00	>1%	1
Maintenance	\$1,555.35	>1%	2
Repairs	\$1,416.66	>1%	2
Utilities	\$1,360.69	>1%	2
HMIS	\$1,302.50	>1%	2
Rent	\$1,263.27	>1%	1
Fee	\$995.00	>1%	2
Postage	\$973.39	>1%	6
Printing	\$640.77	>1%	1
Rent	\$326.41	>1%	2
Vehicles	\$279.99	>1%	1



SSVF Results – General Expenditures – Cont.

Condition	Total Questioned Costs	% of Questioned Costs	# of Instances
Improper Allocation – Cont.			
Transportation	\$120.07	>1%	3
Gift Cards	\$100.00	>1%	1
Printing	\$76.88	>1%	1
Communication	\$40.81	>1%	1
Reimbursement	\$39.52	>1%	2
Inadequate Documentation			
Fees	\$81,513.66	16%	30
Computer	\$6,261.16	1%	6
Advertising	\$2,463.46	>1%	9
Equipment	\$1,719.46	>1%	3
Communication	\$1,161.82	>1%	8
Auto Repair	\$766.10	>1%	2
Furniture	\$455.85	>1%	2
Duplicate Charges	211.98	>1%	1
Conferences	\$86.56	>1%	1
Procedural – Policy Interpretation			
Reconciliation	0	>1%	3



SSVF Results – General Expenditures – Cont.

Condition	Total Questioned Costs	% of Questioned Costs	# of Instances
Unallowed – Disallowed Costs			
Interest Payment	\$15,414.58	3%	1
Supplies	\$12,626.22	2%	61
Gift Cards	\$5,540.69	1%	8
Fees	\$5,195.48	1%	5
Clothing	\$4,103.83	1%	8
Advertising	\$3,917.69	1%	4
Printing	\$2,990.05	1%	1
Furniture	\$2,017.54	>1%	3
Transportation	\$862.24	>1%	2
Communication	\$808.93	>1%	1
Food	\$225.99	>1%	6
Mattress	\$225.00	>1%	1
Equipment	\$29.04	>1%	1
Unreasonable			
Furniture	\$155,069.96	30%	2
Supplies	\$32,239.40	6%	1
Fees	\$12,500.00	2%	1
Travel	\$4,722.25	1%	8
Rental Car	\$3,852.79	>1%	4
Communication	\$2,300.00	>1%	1
Lease	\$51.65	>1%	1



SSVF Results – TFA

Condition	Total Questioned Costs	% of Questioned Costs	# of Instances
Inadequate Documentation			
Inadequate Documentation	\$86,611.62	36%	65
Emergency Housing Assistance	\$82,982.59	35%	17
Rent	\$30,416.53	13%	31
General Housing Stability Assistance	\$9,274.80	4%	14
Utilities	\$4,879.68	2%	8
Deposit	4,747.00	2%	6
Transportation	\$3,425.18	1%	6
Unallowed - Disallowed Costs			
Inadequate Documentation	\$4,605.22	2%	2
Duplicate Payments	\$3,295.50	1%	1
Emergency Housing Assistance	\$3,254.69	1%	5
Rent	\$1,143.00	>1%	3
Gift Cards	\$300.00	>1%	3
Unreasonable			
No Invoice	\$2,525.00	1%	1
Excess Payment	\$1,133.00	>1%	3
Rent	\$560.00	>1%	1



SSVF Results – Payroll Expenditures

Condition	Total Questioned Costs	% of Questioned Costs	# of Instances
Inadequate Documentation			
Inadequate Documentation	\$132,006.95	69%	54
Improper Allocation			
Improper Allocation - Salaries	\$40,116.41	21%	41
Unallowed – Disallowed Costs			
Unallowed – Disallowed Costs	\$16,705.53	9%	22
Unreasonable			
Unreasonable	\$2,364.54	1%	1
Overtime – Not Approved			
Overtime – Not Approved (prior to COVID)	\$908.37	>1%	3



SSVF Results – Administrative Expenditures

Condition	Total Questioned Costs	% of Questioned Costs	# of Instances
Inadequate Documentation			
Missing or Unsupported Documentation	\$115,264.95	66%	16
Unallowed – Disallowed Cost			
Unallowable Administrative Supplies	\$51,748.40	30%	8
Improper Allocation			
Fees	\$3,600.00	2%	1
Professional Services	\$2,314.90	1%	1
Procedural/Policy Interpretation			
Unallowable Administrative Supplies	\$1,816.26	1%	6



SSVF Results – Going Forward

- Going Forward

- Ensure General Ledger accurately accounts for all expenditures and reconciles to the Payment Management System for every dollar received
- All expenses must be aligned with approved budget
- Ensure all expenditures are reasonable and support the SSVF mission
- Ensure all expenditures are allowable...when in doubt, obtain approval
- Ensure all expenses have:
 - Sufficient supporting documentation
 - Evidence of payment
 - Detailed allocation methodologies (if applicable)
- Maintain supporting documents for all Administrative Costs
 - Traditional Approach – Documentation for every expense
 - Invoices
 - Timecards
 - Evidence of payment
 - Allocation methodologies (if applicable)
 - MACA – Documentation to support all drivers
 - An Indirect Cost Rate or flat percent (10%) is not acceptable



SSVF Results – Going Forward – Cont.

- Ensure all eligibility requirements are met and timely
 - Initial and recertification forms must be included within case files
 - Initial and recertification forms must be signed by both the Case Manager and the Supervisor (important – timely supervisor review and approval is critical...TFA issued prior to the Supervisors review and approval will result in questioned cost)
 - Ensure Income verification process is clearly documented and supported
- Ensure all personnel costs are:
 - Supported by detailed timecards and approved as required
 - Allocated appropriately and reflect approved budget



SSVF Results – FOFA Process and Recoupment

- Audit teams will strive to ensure all findings and potential questioned cost have been presented to the grantee for discussion, analysis, and understanding. If questions remain, don't hesitate to ask the audit team or OBO for clarification prior to the reporting phase.
- After issuance of the FOFA report, each questioned cost is considered for "recoupment".
- When submitting the Appendix A - Recommendation Response Form, the grantee may submit additional documentation that was not presented during the course of the review that may clear some or all questioned costs
 - Note - justification for submission after the review process must be included for documents submitted during this phase of the review process.
- OBO will reevaluate the initial questioned cost based on the additional documentation received and notify the Program Office of the updated questioned cost that should be carried to the final recoupment determination process.



SSVF Results – FOFA Process and Recoupment

- A final closeout memo will be issued to the grantee by OBO which will indicate all audit aspects of the FOFA review have been completed and satisfied. ***Issuance of the closeout memo does not imply questioned costs have been properly cleared or addressed.*** All recoupment actions will be initiated by the SSVF Program Office and are separate of the OBO FOFA review process.
- For more information please refer to the SSVF Recoupment Webinar.

https://www.va.gov/HOMELESS/ssvf/docs/Recoupment_Webinar_February_23_2023.pdf



SSVF FOFA - Post Pandemic To-Do-List

- Ensure sound understanding of the Program Guide by supervisors, staff, and applicable finance team members supporting SSVF
- Ensure agency Policies and Standard Operating Procedures reflect current program guidance – conduct periodic reviews and update as needed
- Ensure all Program Guide references to the Code of Financial Regulations (CFR) have been identified and actions designed to ensure compliance
- Ensure periodic (annual) review of all Program Guide updates are included as a control within internal guidance (policies and procedures)
- Ensure supervisors and staff understand compliance requirements and how internal controls support those efforts
- Ensure supervisors and staff understand what internal controls are and ensure a sufficient “audit trail” to support compliance...if the auditor can’t see it – did it happen?
- Develop a solid relationship with the Finance and Accounting team to understand how they support the SSVF mission



SSVF FOFA - Post Pandemic To-Do-List – Cont.

- Ensure transparency and ease of tracking and reporting - utilizing the finance and accounting system as primary tracking tool, minimizing the number of different tracking mechanisms for expenses, participants, TFA, and such
- Ensure all close out/end of year responsibilities are assigned to applicable staff (Federal Financial Reporting, Single Audits, etc.)
- Ensure a sound Quality Assurance/Quality Control process is in place
- Ensure supervisors and staff complete annual training requirements
- Ensure consistent application and development of case file system (hard or soft copy) to ensure all actions and methodologies are the same across multiple entities
- Ensure subcontractor management and oversight follow the same requirements as the prime



Resources

- SSVF Website
 - [Compliance \(va.gov\)](#)
- SSVF Regional Coordinators
- OBO Team
 - Allen Ackles, Supervisory Auditor, Allen.Ackles@va.gov
 - Christina Singleton, Senior Auditor, Christina.Singleton@va.gov
- SSVF Compliance Team
 - Jeffrey Houser, Compliance Officer
 - Riccardo Aiello, Project Coordinator
 - Carolyn Head, Projector Coordinator (Finance/Compliance)



Questions

Questions?